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WATCH COMMITTEE CONCLUSION ON THE OFFSHORE ISLAND SITUATION

1. The Watch Committee concludes that available information provides no indications that the Chinese Communists intend to launch major assaults against the major islands in the Matsu or Chinmen groups in the immediate future. Final preparations for major assaults could be carried out in perhaps ten days, although adequate ground forces and water-lift could be assembled in two to four days. No observable preparations are required for assaults on several minor offshore islands: Wuchiu, Yijshan and small islands near the major Chinese Nationalist positions on Matsu and the Chinmens. Such attacks might be undertaken at any time for prestige and propaganda considerations and to test US reactions.

2. Although the long-range build-up in military potential in East China continues, available intelligence indicates that certain steps, some or all of which may be essential to a successful assault on the major islands, have yet to be taken:

- Forward airfields in the coastal area have not been improved or occupied;
- Prepared artillery positions opposite the Matsus and the Chinmens have not been fully occupied;
- No substantial influx of combat units into the immediate coastal area has taken place;
- The POL supply situation is believed to be poor and no substantial movement of POL into the coastal area has been detected;
- Concentrations of landing craft or vessels in the immediate coastal areas have not occurred; and
- Recent Chinese and Soviet propaganda on the offshore islands has decreased sharply in volume and has been largely routine in content.

There have been indications, however, that one major coastal airfield (Nantai) is being improved and offensive air units within range are being maintained in a normal state of readiness.

3. In view of current limitations of intelligence sources, it is probable, but not certain, that the Watch Committee will be able to detect at least some of the final preparatory steps prior to major assaults. The Watch Committee probably could not detect immediate preparations for assaults on individual minor islands.

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